

**For Immediate Release**  
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## **BOE to Consider Lemon Law and Other Regulatory Changes**

**Sacramento** – The California State Board of Equalization (BOE) will consider amendments to BOE’s Lemon Law-related regulations to make them more consistent with a state law that clarified that people who leased defective vehicles, known as “lemons,” were entitled to the same protections as purchasers. [Assembly Bill 242](#) (2011 Ch. 727) specifically states Lemon Law protections apply to people who lease vehicles, as well as those who buy them.

The Lemon Law allows people who buy or lease automobiles to seek a replacement or restitution for a defective vehicle. The proposed amendments will clarify that the BOE is required to reimburse a manufacturer for the sales or use tax that has been refunded to a consumer. Prior to AB 242, the Lemon Law did not address the BOE reimbursing a manufacturer for use tax.

Other scheduled Board business includes adopting timber harvest values schedules and the timber yield tax rate for 2014. Regulatory changes for consideration include clarifying how tax applies to optional maintenance contracts on prewritten software, and specifying when businesses that relied on BOE audits of related businesses are allowed relief from tax liabilities. The Board will also hear appeals for property tax reassessments by some privately owned public utilities.

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The five-member California State Board of Equalization (BOE) is a publicly elected tax board. The BOE collects \$52.5 billion annually in taxes and fees supporting state and local government services. It hears business tax appeals, acts as the appellate body for franchise and personal income tax appeals, and serves a significant role in the assessment and administration of property taxes. For more information on other taxes and fees in California, visit [www.taxes.ca.gov](http://www.taxes.ca.gov).

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